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TO RUEHTH/AMEMBASSY ATHENS PRIORITY 0000
INFO RUEHLO/AMEMBASSY LONDON 0000
RUEHSM/AMEMBASSY STOCKHOLM 0000
RUEAIIA/CIA WASHINGTON DC 0000
RUCPDO/USDOC WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RHMCSUU/FBI WASHINGTON DC 0000
RUEPINS/HQ BICE INTEL WASHINGTON DC

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ATHENS FOR KENNETH ZURCHER
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E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [GR](#)
SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECKS
ON APPLICATIONS 050091071 AND 050091983

REF: A. TD-314/80063-07

- [1](#)B. TD-314/50403-07
- [1](#)C. IIR 5 397 0066 07
- [1](#)D. BLUE LANTERN GUIDEBOOK 2006

[1](#)1. (U) This is an Action Request. See paragraphs 2-4.

[1](#)2. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests post's assistance in conducting a pre-license check on applications 050091071 and 050091983 and a post-shipment check on licenses 050051410 and 05-917152 for the export of thermal imaging systems to Greece. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future applications involving parties to this license.

[1](#)3. (SBU) Reason for request: concerns about foreign consignee P.A.S.S. Defense, doubts about the legitimacy of the proposed transactions, and vague end-use statements. P.A.S.S. Defense is on PM/DTCC's Watchlist due to concerns stemming from refs A-C. These concerns appear to be potentially directly related to the proposed and executed transactions covered by subject export applications and licenses. In addition, P.A.S.S. Defense has never been the subject of a Blue Lantern check. Post should make appropriate inquiries to verify the bona fides of P.A.S.S. Defense, confirm the legitimacy of the proposed transactions outlined in applications 050091071 and 050091983, and confirm that the Hellenic Army received the defense articles authorized for export under licenses 050051410 and 05-917152 and is using the items for the specific end-use stated on the licenses. The following questions are provided as suggested guidance:

For the Hellenic Army General Headquarters:

--Are you familiar with P.A.S.S. Defense?

--Did you order from P.A.S.S. Defense the exact type and quantity of items listed on applications 050091071 and 050091983? For what purpose do you intend to use the items?

--Did you receive the exact type and quantity of items listed on licenses 050051410 and 05-917152? For what purpose are you using the items?

--Our records indicate that in addition to receiving two

SeeSPOT III systems in 2005, the Hellenic Army ordered four SeeSPOT III systems in July 2007 and then an additional four systems in February 2008. Is this true?

--Is P.A.S.S. Defense an official supplier/contractor for the Hellenic Army? Does the Hellenic Army have any other contracts with the company?

For P.A.S.S. Defense:

--Does the company have proper supporting documentation, including purchase orders from the Hellenic Army, for these proposed transactions as well as all previously authorized transactions involving FLIR systems and the Hellenic Army?

--What types of organizations are among the company's typical customers and where are the customers located? Does the company export any items? If so, where?

--What is the nature of its business -- what types of items does it handle, does it serve as a broker?

--Will the company be handling or storing the items listed on the application? If so, does it have secure facilities and proper accounting and security procedures for handling these sensitive USML items?

--Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

14. (U) Department requests that post conduct a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. If a site visit is not possible, please inform PM/DTCC case officer. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. End action.

15. (SBU) For background, the following details of the license in question are provided:

1A.

DTC Case: 050091071

QUANTITY/COMMODITY:

4 FLIR Model SeeSPOT III (320x240 InSb FPA, 3-5 micron) thermal imaging system; including parts and accessories and extra batteries to support the system

License Value: USD 133,513.00

SELLER:

FLIR Systems, Inc.
27700A SW Parkway Avenue
Wilsonville, OR 97070
Company contact: Marlene Caban, tel. 503-498-3547 or 978-901-8353

FOREIGN CONSIGNEE:

FLIR Systems, Ltd.
2 Kings Hill Ave.
Kings Hill West Mallong
Kent
United Kingdom

P.A.S.S. Defense
316 Akti Themistokleous Street
Piraeus
Greece

FOREIGN END-USER:

Hellenic Army General Staff
Special Forces Directorate

151 Messogion Av.
Athens
Greece

PURPOSE:

The Hellenic Army ASDYS will use the SeeSpot III thermal imaging systems for the general protection and security needs of the Hellenic Army.

1B.

DTC Case: 050091983

QUANTITY/COMMODITY:

1 Spare parts and components to support FLIR Systems Inc.
model SeeSPOT III thermal imaging systems

License Value: USD 30,000.00

SELLER:

FLIR Systems, Inc.
27700A SW Parkway Avenue
Wilsonville, OR 97070
Company contact: Marlene Caban, tel. 503-498-3547 or
978-901-8353

FOREIGN CONSIGNEE:

FLIR Systems AB
PO Box 3 Rinkebyvagen 19
Danderyd
Sweden

FLIR Systems, Ltd.
2 Kings Hill Ave.
Kings Hill West Malling
Kent
United Kingdom

P.A.S.S. Defense
316 Akti Themistokleous Street
Piraeus
Greece

FOREIGN END-USER:

Hellenic Army Special Forces
151 Messogion Av.
Athens
Greece

PURPOSE:

Renewal of the unshipped value of spare parts and components previously approved on license 05-917152, which are to be used to support the two See Spot III thermal imaging systems previously exported under license 05-917152.

1C.

DTC Case: 050051410

QUANTITY/COMMODITY:

4 FLIR Model SeeSPOT III thermal imaging systems;
including parts and accessories to support the system

License Value: USD 320,000.00

(COMMENT: All four SeeSPOT III thermal imaging systems were exported from the U.S. in August 2007. END COMMENT.)

SELLER:

FLIR Systems, Inc.
27700A SW Parkway Avenue

Wilsonville, OR 97070
Company contact: Marlene Caban, tel. 503-498-3547 or
978-901-8353

FOREIGN CONSIGNEE:

FLIR Systems, Ltd.
2 Kings Hill Ave.
Kings Hill West Malling
Kent ME19 4AQ
United Kingdom

P.A.S.S. Defense
316 Akti Themistokleous Street
185 39 Piraeus
Greece

FOREIGN INTERMEDIATE CONSIGNEE:

Ivey International Freight Services Ltd.
McMillan House, Units 7-8 Polygon Bus. Ctr. Blackthorne Rd.
Colnbrook, Berkshire SI3 0QT
United Kingdom
(Freight Forwarder / Import Broker)

FOREIGN END-USER:

Hellenic Army ASDYS Procurement Division
1 Petrou Ralli
Athens
Greece

PURPOSE:

The Hellenic Army ASDYS will use the SeeSpot III thermal
imaging systems for the general protection and security needs
of the Hellenic Army.

1D.

DTC Case: 05-917152

QUANTITY/COMMODITY:

2 FLIR Systems, Inc., model See Spot III (256x256 InSb
FPA, 3-5 micron) thermal imaging system including parts and
accessories and extra batteries to support the system
Lot Spare parts and components

License Value: USD 190,000.00
(COMMENT: Both SeeSPOT III thermal imaging systems were
exported from the U.S. in January 2005. None of the \$30,000
worth of parts and accessories authorized under this license
were exported. END COMMENT.)

SELLER:

FLIR Systems, Inc.
16 Esquire Road
1N. Billerica, MA 01862
Company contact: Tammy Cochran, tel. 978-901-8353

FOREIGN CONSIGNEE:

Hellenic Army Special Forces
151 Messogeion Av.
15500 Athens
Greece

FOREIGN END-USER:

Same as foreign consignee

PURPOSE:

For the general needs of the Hellenic Army Special Forces, in
Greece.

¶6. (U) Submitted in support of the license application were the following documents (PM/DTCC can fax documentation to post upon request):

¶A.

--Nontransfer and Use Certificate (Form DSP-83), signed by Mr. Panagiotis Vlachinos, General Manager, P.A.S.S. Defense, dated January 23, 2008; signed by Brigadier General Ath. Ypsilantis, Director, dated 04/02/2008; signed by Evangelos Vasilakos, General Director GDDIA, Ministry of National Defence, dated 11.02.2008

--Purchase order no. 4500001936 from FLIR Systems UK to FLIR Systems USA, order date 2008.01.14, amended 12 FEB 2008

--End-Use Statement from Hellenic Army ASDYS, Procurement Directorate, 1 Petrou Ralli, Athens, Greece, tel. 30 210 3483149, fax 30 210 3454603, stating that the items "will be used for the General Needs" of the Hellenic Army, signed by Brigadier Ypsilantis Athanesies, Director of Procurement, dated 25 Jan 2008

--Product brochure, including photos and technical specifications

¶B.

--Letter from FLIR Systems about proposed transaction, explaining that two SeeSpot III system were delivered to Hellenic Army Special Forces in 2005 (under license 05-917152). There have been no shipments to date of spare parts (under license 05-917152, which has now expired).

¶C.

--Nontransfer and Use Certificate (Form DSP-83), signed by Mr. Panagiotis Vlachinos, General Manager, P.A.S.S. Defense, dated 03/30/2007; signed by Brigadier General Ath. Ypsilantis, Director, dated 04/24/2007; signed by Evangelos Vasilakos, General Director GDDIA, Ministry of National Defence, dated 04.05.2007

--Purchase order no. 320 10 11 85 from P.A.S.S. Defence, signed by Lt. Col. (Rtd) Panos Vlachinos, General Manager, dated February 15, 2007

--Purchase order no. 819909 from FLIR Systems UK to FLIR Systems USA, order date 2007-05-01

--End-Use Statement from Hellenic Army ASDYS, Procurement Directorate, 1 Petrou Ralli, Athens, Greece, tel. 30 210 3483149, fax 30 210 3454603, stating that the items "will be used for the General Needs" of the Hellenic Army, signed by Brigadier Ypsilantis Athanesies, Director of Procurement, dated 11 June 2007

--Product brochure, including photos and technical specifications

¶D.

N/A

¶7. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Judd Stitzziel, PM/DTCC, Phone: 202-663-3455; email: StitzzielJD@state.gov; SIPRNET: StitzzielJD@state.sgov.gov. The Blue Lantern Guidebook (ref D) is available as a PDF file in the Bunche Library's Electronic Library collection on the DOS Intranet: [http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520 final .pdf](http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520%20final.pdf)

¶8. (U) Department is grateful for post's assistance in this matter.
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